

basically says to seniors: Whatever you are spending money on—if you are buying apples, for instance, then you could buy bananas. My staff says bananas are cheaper. We had an argument about that, whether bananas are cheaper per calorie and per weight and all that. But, nonetheless, they say to seniors, under this chained CPI thing—some conservative think tank, some corporate-funded, insurance company, drug company-funded think tank, I assume, came up with this bizarre idea of CPI chained—they say to seniors: You can pay less for things because you can do substitutions of food—from beef to chicken or from apples to bananas or from something to something—and save money.

Most seniors have already made those substitutions in their buying habits because they are already squeezed because the cost-of-living adjustment has not kept up with their health care costs. That is the whole point. So instead of our moving to reduce the cost-of-living adjustment, going to this chained Consumer Price Index, chained CPI, we should move away from CPI-W, based on wages, to CPI-E, meaning what elderly people's costs are as their health care goes up.

It will mean several hundred dollars in the monthly benefit a senior receives. Let me give those numbers, and then I will wrap up.

For the average person who retired in 1985, that person would get about an \$887 increase, if it was the way Senator MERKLEY and Senator MIKULSKI and I want to change Social Security. That CPI, that increase, would then go up a little bit over time, so seniors would, in fact, be able to keep up with their health care costs. That is the importance of this change. That is the importance of our legislation. We cannot go the other way, chained CPI.

The last point I will make is, these conservatives who do not much like Social Security—some of them are Presidential candidates, I might add—they will say: We cannot afford this. The budget deficit is not because of Social Security. It is because of a bunch of other factors. Social Security is not part of this budget deficit. We know how to do minor changes to fix Social Security long term and take care of seniors and their health care needs and their increased costs.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MERKLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BROWN of Ohio). Without objection, it is so ordered.

Mr. MERKLEY. Mr. President, I am pleased to rise this morning to support the adoption of a consumer price index for Social Security that would accurately reflect the costs our senior citizens actually face.

I am delighted to join the Presiding Officer, Senator BROWN of Ohio, in this effort, along with Senator MIKULSKI of Maryland. Social Security is a promise, a bond between our government and our senior citizens.

Our senior citizens have worked hard their whole life and paid into Social Security every step of the way. They expect Social Security will be there for them when they retire.

Over the past few years, I have heard from many Oregon seniors who are making ends meet on a fixed income. They ask me: Why is it we are not getting a cost-of-living adjustment, a COLA? Because our costs are rising. They have been deeply disturbed to know, with these fixed incomes and these rising costs, they are being squeezed in the middle.

I explain to them in these townhalls it is because the COLA is calculated not on what seniors face in their costs but upon what a broad cross-section of working people face. They tell me: Senator, that is different than the costs we face. We are at a different point in our lives. Health care becomes a huge component. They tell me: I can tell you, Senator, health care costs are not going down.

Some in this Chamber are coming forward with a proposal that would make it even harder for our seniors. It would use a new calculation: not this standard "cross-section of America COLA" we are currently using but what is referred to as a chained CPI. That chained CPI says: If the price of this goes up, you can buy that. Actually, what it does is go in the wrong direction in terms of accurately reflecting the costs our seniors face in retirement.

If we take someone who is 65 today and we look down the road, by the time they are 75, this chained CPI would cost them \$560 per year—roughly a month's rent. By the time the average 85-year-old has their payment calculated, the chained CPI would cost them \$984 per year; the average 95-year-old: \$1,392 per year.

At a time when the best off Americans are paying less than ever before, it is simply wrong to shift costs on to our seniors and the most vulnerable in our society.

There is an alternative. It is called the CPI-E. The Consumer Price Index for our seniors or elderly. I prefer to think of it as the CPI-E for "experienced." Our most experienced citizens face different costs than the rest of us. The CPI-E would track inflation specifically based on the basket of goods those aged 62 and older are purchasing.

It is simply a fairer and more accurate way to calculate the benefits for our seniors. If their costs are rising slower than the overall costs for society, it would reflect that. If their costs are rising higher than the overall pace of inflation, then that would be reflected. Either way, it is fair.

We have to ensure we are keeping our promise to our senior citizens in a way

that accurately reflects the reality of living in this country. This bill for the CPI-E or Consumer Price Index for the experienced is the best way to achieve that.

I suggest the absence of a quorum. The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2012

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to the consideration of S. 1867, which the clerk will report by title.

The bill clerk read as follows:

A bill (S. 1867) to authorize appropriations for fiscal year 2012 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. REID. Mr. President, the Republican leader is on the floor. He is going to offer an amendment. The one on this side is not ready. There has been an agreement, and I ask unanimous consent that Senator MCCONNELL be allowed to lay down his amendment. When the one on the Democratic side is laid down, which will be momentarily, it will be considered the first amendment in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Republican leader.

AMENDMENT NO. 1084

Mr. MCCONNELL. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Kentucky [Mr. MCCONNELL], for Mr. KIRK, proposes an amendment numbered 1084.

Mr. MCCONNELL. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To require the President to impose sanctions on foreign financial institutions that conduct transactions with the Central Bank of Iran)

At the end of subtitle C of title XII, add the following:

SEC. 1243. IMPOSITION OF SANCTIONS ON FOREIGN FINANCIAL INSTITUTIONS THAT CONDUCT TRANSACTIONS WITH THE CENTRAL BANK OF IRAN.

Section 104 of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (22 U.S.C. 8513) is amended—